



California Department of Veterans Affairs

NEWS FOR VETERANS

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ATTENTION BAY AREA MEMBERS AND FRIENDS OF THE MARINES' MEMORIAL ASSOCIATION

REMINDER:

The Secretary of the Navy, the Honorable Gordon R. England, will speak Thursday, December 30, 2004, at a breakfast meeting at the Marines' Memorial Club, co-sponsored by the Marines' Memorial Association and the World Affairs Council. Secretary England has been quoted recently regarding several issues dealing with the Global War on Terrorism and will speak on current events as they relate to the Navy and Marine Corps.

Doors open at 8:00 a.m. and Secretary England will deliver his remarks at 8:30 a.m. Secretary England will take questions from the audience after his remarks.

Cost of the breakfast is \$15 and attendees are asked to pay at the door. Please RSVP by either going to the Marine's Memorial Club website at www.MarineClub.com and clicking on the reservation button or by calling their sales office at 415-673-6672, Ext 230. Space is limited so please RSVP as soon as possible to ensure a seat.

NEWS FROM THE USDVA

VA DISTRIBUTES 2005 INSURANCE DIVIDENDS

WASHINGTON - The Department of Veterans Affairs (VA) today announced its distribution of more than \$449 million in dividends to 1.4 million active policyholders of veterans' life insurance.

Over the next year, veterans will receive payments on the anniversary date of their policies, with the specific dividend amount varying according to age, type of insurance, and length of time the policy has been in force. Veterans will automatically receive their annual dividend through one of the nine payment options available to them.

Dividends cover only veterans with government life insurance policies who served between 1917 and

1956. Veterans of subsequent eras are covered by VA life insurance programs that do not pay dividends.

The dividends represent a return of trust fund earnings on the premiums paid by policyholders throughout the years. They reflect the fact that veterans are living longer than originally predicted. Dividends are also attributable to the higher than expected yields earned by the trust funds from investments in U.S. government securities.

Only those with policies that have been kept in force are eligible for the payout. Inaccurate notices periodically surface in the veterans community suggesting that those who have not maintained insurance are eligible for a special dividend if they contact VA, but this is false. Dividends are automatically sent to eligible policyholders.

The largest group receiving 2005 payments will be 1.1 million veterans of World War II with National Service Life Insurance ("V") policies. Total payments are expected to reach \$354.1 million. Dividends totaling \$1.45 million will be paid to nearly 10,000 veterans holding U.S. Government Life Insurance ("K") policies.

More than 190,000 Korean War era veterans who maintained Veterans Special Life Insurance ("RS" and "W") policies can expect to receive dividends totaling \$80.7 million.

Veterans from the World War II era who hold Veterans Reopened Insurance ("J," "JR" and "JS") policies, currently numbering about 49,000, will share a \$12.9 million dividend.

Although VA administers a special life insurance program for disabled veterans and a program offering mortgage life insurance coverage, neither pays dividends.

For current active-duty service members and reservists, VA supervises a contract with a private carrier to underwrite Servicemembers' Group Life Insurance. No dividends are paid on Servicemembers' Group Life Insurance, or the version for veterans after military separation, Veterans' Group Life Insurance. Veterans who have questions about their policy may call the VA Insurance toll-free number at 1-800-669-8477, may send an e-mail to VAinsurance@vba.va.gov, or may visit the web site at www.insurance.va.gov.

Individuals or organizations wishing to subscribe or unsubscribe to this service may contact us via email at newsforveterans@cdva.ca.gov or by telephone at 1-800-952-5626 or 916-653-2192. For more news and information of interest to veterans, visit our website at <http://www.cdva.ca.gov/>.